

January 3, 2000

Clerk of the Court
United States Bankruptcy Court
2929 North Central Avenue
Ninth Floor
Phoenix, Arizona 85067-4151

Re: Charles Thomas Brown d/b/a Tom Brown Preferred Trust Company
Case No. 97-14228 PHX GBN *ADV 99-746*

Subject: Answer to Complaint And Summons of Ryley Carlock & Applewhite dated November 9, 1999.

It was with great surprise that we received notice of the subject proceedings regarding Tom Brown as we have not done business with, nor had any contact with Tom Brown for several years. Many years ago we did invest with Tom Brown in what was believed to be legitimate investments and did receive what was believed to be a fair return on our investment at that time. We had no knowledge that Tom Brown was using our invested money for any other purpose than as he had stated he was going to do, and certainly no knowledge that anything illegal was happening. We do not believe that we received "unjust enrichment" from our investments. In fact, the monies received from the investments with Tom Brown were sometimes lower than profits received from other investments.

Review of the Investor Transactions provided with the Complaint shows transactions dated 2/14/90 and 8/26/91 for Payee/Payors Bruce E. Church & Wilma A. Church, when in fact we had not even met each other until mid-1992. Likewise, we are sure there are many other errors in the transaction record and we see no validity in the method used to arrive at the proposed settlement amount.

We see no reason to send any settlement money in this case and in our situation of being retired and on a minimal fixed income find it extremely difficult to do. However, in the interest of finalizing this action we propose to submit to the court an amount of \$100 for complete and full resolution of this matter. Should this offer be accepted we will send the full amount within 30 days or as directed in your letter of acceptance.

Sincerely,

Bruce E. Church

Bruce E. Church
17200 W. Bell Rd., #723
Surprise, AZ 85374

Wilma A. Church

Wilma A. Church

Copy to: John J. Fries
Ryley, Carlock & Applewhite, P.A.
101 North First Avenue, Suite 2700
Phoenix, Arizona 85003-1973

State of Arizona
County of Maricopa



On this 4th day of January, Bruce E. Church and Wilma A. Church personally appeared before me, whom I know personally to be the persons who signed this document, and they proved they signed it.

Dena R. Martin *1/4/2000*
Notary Signature

My commission expires 3/31/2002

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